

## Farm Credit Administration

## §619.9310

to the borrower during the period of the loan.

### §619.9180 Fixed interest spread.

A percentage to be added to the cost of money to the bank or association as the means of establishing a lending rate.

### §619.9185 Funding Corporation.

The term *Funding Corporation* refers to the Federal Farm Credit Banks Funding Corporation established pursuant to section 4.9 of the Act.

[55 FR 24889, June 19, 1990]

### §619.9195 [Reserved]

### §619.9200 Loss-sharing agreements.

A contractual arrangement under which the parties agree to share losses associated with loans or otherwise, as may be provided for in the agreement.

[42 FR 20457, Apr. 20, 1977]

### §619.9210 Merger.

Combining of one or more organizational entities into another similar entity.

### §619.9230 Open-end mortgage loan plans.

A mortgage loan which permits the borrower to obtain additional sums during the term of the loan.

### §619.9235 Outside director.

A member of a board of directors selected or appointed by the board, who is not a director, officer, employee, agent, or stockholder of any Farm Credit System institution.

[71 FR 5764, Feb. 2, 2006]

### §619.9240 Participation agreement.

A contract under which a lender agrees to sell a portion of a loan to one or more purchasers under specific terms set forth in the agreement.

### §619.9250 Participation certificates.

Evidence of investment in a bank or association to which all the rights and obligations of stock attach with the exception of the right to vote in the affairs of the institution.

### §619.9260 Primary security.

The basic collateral securing the loan.

### §619.9270 Qualified Public Accountant or External Auditor.

A qualified public accountant or external auditor is a person who:

(a) Holds a valid and unrevoked certificate, issued to such person by a legally constituted State authority, identifying such person as a certified public accountant;

(b) Is licensed to practice as a public accountant by an appropriate regulatory authority of a State or other political subdivision of the United States;

(c) Is in good standing as a certified and licensed public accountant under the laws of the State or other political subdivision of the United States in which is located the home office or corporate office of the institution that is to be audited;

(d) Is not suspended or otherwise barred from practice as an accountant or public accountant before the Securities and Exchange Commission (SEC) or any other appropriate Federal or State regulatory authority; and

(e) Is independent of the institution that is to be audited. For the purposes of this definition, the term "independent" has the same meaning as under the rules and interpretations of the authoritative body governing overall audit performance. At a minimum, an accountant hired to audit a System institution is not independent if he or she functions in the role of management, audits his or her own work, or serves in an advocacy role for the institution.

[71 FR 76119, Dec. 20, 2006, as amended at 74 FR 28599, June 17, 2009]

### §619.9310 Senior officer.

The Chief Executive Officer, the Chief Operations Officer, the Chief Financial Officer, the Chief Credit Officer, and the General Counsel, or persons in similar positions; and any other person responsible for a major policy-making function.

[71 FR 5764, Feb. 2, 2006]